

## The Senate Cansing, Michigan

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LEGISLATIVE COUNCIL

August 1, 2002

Senator Dan DeGrow, Majority Leader Michigan Senate S-106 Capitol Lansing, MI 48913

Dear Dan:

I believe we must over-ride the Governor's recent veto of revenue sharing. The following are my reasons for reaching this decision.

The Michigan Legislature worked with the Governor over the course of many weeks to resolve the budget difficulties facing this state. After several failed attempts, a proposal was jointly developed, agreed to, and adopted. This proposal included numerous items, required difficult decisions and frankly, some tough votes. Raising the cigarette tax, delaying the single business tax rollback, and budget cuts in numerous areas were some of the votes that I, and others, cast as part of our agreement with the Governor.

Part of this agreement -- in fact, a central item -- was a continuation budget for revenue sharing. As you recall, an earlier proposal to reduce revenue sharing by 2.4 percent was discarded for lack of sufficient support.

When we make an agreement, we abide by it. We don't break it because of convenience, other agendas, or difficulties the agreement itself poses. An agreement is an agreement. It is our word. If for no other reason, the veto of revenue sharing must be over-ridden to re-establish a fundamental principle of doing business in Lansing -- we can trust each other.

But there are other reasons for over-riding this veto. Local units of government are already in their new fiscal years. This elimination of \$850 million requires them to make decisions <u>now</u> to address this shortfall. They cannot wait until after the November election in the hopes that these dollars, or a portion of them, would be restored. The magnitude of this veto requires deep cuts in critical services like police and fire protection for our constituents. This is unacceptable. I might add that in any other circumstance, a city, village, township, or county that failed to address this problem now, but waited until later in their fiscal year, would be criticized by us for fiscal mismanagement.

We should not condone these fiscally irresponsible actions, and we should not continue to allow our agreement to be broken. Non-action will set a bad precedent for future Legislatures. Now is the time to uphold our agreement. I would therefore request that the Legislature hold a vote to over-ride the Governor's veto of revenue sharing grants when we return for session on Tuesday, August 13.

Respectfully yours,

Ken Sikkema State Senator